

**REMARKS**

This paper is filed in response to the final office action mailed on December 17, 2004.

Claims 1, 19, 33-34 and 49 have been amended; claims 11-13, 16, 27-29, 32, 37-39, 43-44, 53-54 and 57-68 have been canceled; claims 1-10, 14, 17-26, 30, 33-36, 45-52 and 55-56 remain pending.

Applicants respectfully submit that this amendment is in full compliance with rule 116 as it drastically reduces the number of pending claims, all amendments to the claims come from pending dependent claims and therefore no new issues are raised by this amendment. An early entry of this amendment after final is earnestly solicited.

At the outset, applicants take issue with the response to argument section set forth in the final office action. Specifically, the final office action only addresses two arguments presented in the earlier amendment filed on October 1, 2004. Those two arguments are (1) that Odom fails to teach the determining of a credit relationship between a metal buyer and a metal seller and (2) that Odom fails to teach the transmitting of a metal exchange web page to the metal buyer. In response, the Patent Office vaguely directs applicants attention to Odom at column 5, lines 25-45 and column 5, lines 30-38.

However, column 5, lines 25-45 of Odom reads as follows:

In step 205, commodity information is entered by the seller. The term commodity or item can include goods or services. This information may include identification of a new commodity or modification of an existing listing by an authorized person. Such information may include system required administrative information such as exchange rules (parameters for that item) seller identification, identification of the item, a major and/or minor classification, pricing information, and other terms. Other options available to a seller client include the ability to search/list items, modify/remove items, intervene in an exchange (e.g., terminate bidding or an item listed by the seller), electronic chat, and reviewing the history/status of bids. If the client selects viewing an item by identifier (e.g., an alpha-numeric), the client may be prompted for the identifier that a particular item is assigned. The client may have retained this number from a previous session, or may have received the number via accessing the listing service. If the client enters a valid identifier, the buyer may be shown the item, information about the item, or both.

Nowhere in this paragraph does Odom teach the determining of whether a credit relationship between a buyer and seller exists. Various identification items are listed but nowhere is the credit of the buyer or a credit relationship between the buyer and seller taught or suggested or the determining of whether a preexisting credit relationship is taught or suggested in the above paragraph. Applicants respectfully submit that the final office action does not address applicants' argument.

Second, nowhere in the above paragraph or in lines 30-38 is the concept of a web page being transmitted to a metal buyer taught or suggested. The claim requires a web page to be transmitted, not merely certain data. The transmission of a web page either directly or by transmitting a hyperlink to a web page is part of the claimed combination and is not taught or suggested by Odom. Applicants respectfully submit that the relying upon the above paragraph does not address applicants' previous argument.

Further, none of the arguments made previously with respect to the Popolo reference are addressed in the final office action.

Turning to the pending rejections based upon the prior art, claims 1-10, 19-20, 23, 26, 49-53, 57 and 60 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,058,379 ("Odom"). In response, claims 1, 19, 34 and 49 have been amended and applicants present the following remarks establishing the allowability of each independent claim 1, 19, 34, and 49 as being allowable over Odom.

At the outset, under MPEP § 2131,

[t]o anticipate a claim, the reference must teach every element of the claim. A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.

*Citing, Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

Applicants respectfully submit that Odom fails to teach or suggest more than one limitation of each pending independent claim. Specifically, as established above, column 5, lines 24-25 and the remainder of Odom fails to teach or suggest the determining of a credit relationship between a metal buyer and a metal seller as recited in independent claims 1, 19, 34 and 49. Second, Odom does not teach or suggest the transmitting of a metal exchange

*web page* to a metal buyer as recited in independent claim 1, 19, 34 and 49. Finally, Odom does not teach or suggest the facilitating of a purchase of FAS133 compliant derivative contract as recited in independent claims 1, 19, 34 and 49.

First, Odom does not recite the confirmation of any credit agreement between a buyer and or a seller. Odom is directed toward an exchange where a buyer may establish credit with an exchange but not *with a specific seller*. Nowhere in column 5 of Odom is the concept of checking whether a purchaser has established credit with a seller is taught or suggested. At column 12, lines 33-35, Odom does teach that a member of the exchange must have funds or a line of credit available for debiting. However, this recitation does not meet the determination of a preexisting credit relationship between a metal buyer and a metal seller as recited in each independent claim 1, 19, 34 and 49.

The Patent Office takes the position that Odom at column 5, lines 10-25 teaches the transmitting of an icon if a preexisting credit relationship exists. This is simply not the case, as column 5, lines 10-25 of Odom recites as follows:

A preferred embodiment of the invention operates according to FIG. 2 It is assumed that the host has been configured. In step 200, the mode of operation of the exchange is specified. For example, it is specified how the exchange will work and what rules it will work under. Information that may be entered during this phase may include, inter alia, the start and stop time for the exchange, the categorization of the commodity (e.g., as either a good or a service), the aspects of the exchange that will be "open" and those that will be "closed," whether there will be public or private access to negotiations, and whether or not seller intervention will be allowed. Other rules and terms may be specified. This information is stored in the server and used to control a given exchange.

This passage does not talk about a preexisting credit relationship between a buyer and seller; it merely relates to "other rules and terms [which] may be specified." Nowhere in the above passage or elsewhere does Odom teach or suggest the determination of a preexisting credit relationship. Accordingly, Odom cannot anticipate any pending independent claim for this reason alone.

Odom does not teach or suggest the transmitting of a metal exchange web page to the metal buyer as part of a transaction. Odom only remotely relates to the posting of information on the worldwide web. See dependent claim 8 in column 14 of Odom. Odom

does not teach the transmission of a metal exchange web page or hyperlink to any participant, either buyer or seller or exchange member. Column 5, lines 10-45 of Odom makes no such suggestion. Thus, Odom cannot serve as an anticipating reference for independent claims 1, 19, 34 and 49 for this additional reason.

Third, nowhere in Odom is the concept of FAS133 compliant derivative contract mentioned. Nowhere in Odom are the concepts of FAS133 compliant derivative contract along with the concept of anonymity and establishing a preexisting bilateral credit arrangement taught or suggested. Nowhere is the concept of price transparency taught or suggested in Odom as well. Thus, for these additional reasons, Odom cannot serve as an anticipating reference for independent claims 1, 19 34 and 40.

Accordingly, each pending independent claim is clearly allowable over the entire Odom reference for the reasons set forth above.

On page 22 of the final office action, the Patent Office makes the statement that column numbers and line numbers of the references are cited for the convenience of the applicant. However, the citations made by the Patent Office do not correspond with the limitations of the claims and the Patent Office has not provided any reasoning as to why column 5, lines 10-45 recites the limitations of the pending independent claims. Accordingly, applicants respectfully submit that all anticipation rejections based upon Odom are improper, do not meet the standards of § 2131 and therefore must be withdrawn.

Next, the office action rejects claims 34-39, 43-48, 64 and 66-68 under 35 U.S.C. § 102(a) as allegedly being anticipated by U.S. Patent No. 5,715,402 ("Popolo"). In response, independent claim 34 has been amended to traverse this rejection. Claims 43-44, 64 and 66-68 have been canceled.

In rejecting claim 34 as allegedly being anticipated by Popolo, the Patent Office relies upon Popolo's summary of the invention at column 1, line 45 to column 2, line 13 which is reprinted below:

With the foregoing in mind, it is an object of the present invention to provide an interactive on-line system for trading spot steel commodities.

It is another object of the present invention to provide a computerized system for the exchange of information between buyer and seller of spot steel commodities.

It is another object of the present invention to provide a

system storing a detailed database of available steel products defined by a specification sheet filled out by seller of the product and which permits potential buyers to enter bids which are electronically mailed to the seller for acceptance or rejection.

In accordance with the present invention a system for managing steel inventories is proposed to reduce the time and expense associated with selling prime and secondary steel that is no longer needed for the original intended application. The system permits sellers to post detailed specification of an item for sale and permits buyers to browse or search the posted inventory to locate items filling specific needs. A buyer may bid on part or all of an item posted and the seller may accept or reject any bid. The buyer and seller engage in an auction by electronic mail and optionally by facsimile. The detailed specifications of the item may be expressed in a variety of units of measure. Regardless, of unit of measure used by a seller in posting an item, the system performs the necessary conversions to display information to an interested buyer in a unit of measure set by the buyer. A hierarchial menu structure permits ease of use in selecting available options during posting or bidding an item. The invention is designed to meet the needs of all channels in the steel processing community; mills, service centers, end-users, distributors and trading companies.

Neither the above nor the remaining portions of Popolo cited by the Patent Office teach or suggest any determining of whether a preexisting bilateral credit agreement exists between a buyer and a seller, any transmitting of a hedging web page or logistics web page to a buyer, any transmitting of metal chemistry compositions to a particular buyer or any receiving of ranges of elements of a metal chemistry composition, as now recited in independent claim 34.

Specifically, Popolo at column 6, lines 24-45 merely recites certain commodities. This in no way teaches or suggests anything with respect to a FAS133 compliant derivative contract. It merely provides a plurality of materials but in no way teaches or suggests the transmitting of a web page or metal chemistry compositions as recited in independent claim 34. See Popolo at column 6, lines 24-45.

The selection and entry of commodity and attributes is controlled by the blocks 170-176 in FIG. 7. Positioning the highlight bar on the line designated PRODUCT, and pressing the ENTER key on the keyboard, calls the subroutine indicated at 170. This subroutine causes a pop-up list of COMMODITIES to appear, one of which must be selected by

highlighting and pressing the ENTER key. The commodity list, for example, may include:

Similarly, Popolo at column 5, line 40 to column 6, line 10, merely recites a spec sheet but in no way recites any information about metal composition chemistry. Thus, the rejection of now-canceled claim 39 which has been combined with claim 34 is improper. The spec sheet from columns 5 and 6 of Popolo is reprinted below:

SPEC SHEET for NEW ITEM	
ATTRIBUTE	CONTENTS
PRODUCT:	GZ = HOT-DIPPED GALVANIZED
QUALITY	DDQSK-FS, Deep Drawing Quality, Special Killed
CHEMISTRY	SAE/AISI 1006, UNS G10060;
SURFACE FINISH	Regular Spangle;
SURF TREAT	Oil;
COAT WEIGHT	AZ55, .55 OZ/FT TOTAL BOTH SIDES
SALE CONDITION	PRIME
SIZE GxWxL	0.3600" min .times. 24.0000" .times. COIL
N.degree. OF UNITS	1 COIL
AVAIL QUANTITY	23,000.0000 Lb
ASKING PRICE	23.0877 \$/CW
ITEM VALUE	\$5,310.17
FOB	Delivered
BIDS BY DATE	Tu 07 Nov 95 (End of business day)
OWNER ACCOUNT	000014
NAME	Mr John Doe
COMPANY	Acme Software
ADDRESS	123 Main St.
CITY/ST/ZIP	Anytown, MI 48075 U.S.A.
PHONE	810-123-4567
FAX	810-890-1234
ADDITIONAL DESC	
TERMS/COND	
Post/Date/Time	Mon 30Oct95 15:22 EST
PHYSICAL LOCAT	Acme Software
	123 Main St.
CITY/STATE/ZIP	Anytown, MI 48075 U.S.A.
ATTENTION	Mr John Doe
PHONE	800-123-4567
FAX	800-890-1234

The first section of the left column of the form shows various attributes of the item offered for sale, and the right column shows the value of that attribute.

While the above specs show various attributes of the item being sold, it teaches nothing about metal composition chemistry as recited in independent claim 34. By quoting the above sections from Popolo, applicants hope to establish that the Patent Office's reliance upon Popolo for the proposition set forth in the final office action is improper and that Popolo is being relied upon for concepts and limitations recited in the claims that it does not teach or suggest. Accordingly, applicants respectfully submit that independent claim 34 and the remaining claims that depend therefrom are not anticipated by Popolo and that the anticipation rejection based upon Popolo is improper and should be withdrawn.

However, in the above text, Popolo does not even mention the word credit or the concepts of determining whether a preexisting bilateral credit agreement exists between a buyer and a seller. Thus, Popolo cannot serve as an anticipating reference of independent claim 34 for this reason alone.

Also, Popolo does not mention nor make any suggestions regarding FAS133 compliant derivative contracts. The regulation is not mentioned or addressed in Popolo. The above passage makes no mention of derivative contracts at all.

Thus, Popolo does not teach or suggest the facilitating of a purchase of a FAS133 compliant derivative contract while maintaining the anonymity of both buyer and seller and the transmitting of an icon indicative of a preexisting bilateral credit arrangement between the buyer and the seller, all while providing the price transparency as recited in independent claim 34. Therefore, Popolo cannot serve as an anticipating reference and applicants respectfully submit that the anticipation rejections based upon Popolo and must be withdrawn.

Next, the office action rejects claims 11-18 under 35 U.S.C. § 103 as being unpatentable over Popolo in view of Odom. Applicants respectfully traverse this rejection.

Specifically, under MPEP §§ 2142 and 2143,

[t]o establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination

and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure.

*Citing, In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991); *see also* MPEP § 2143-§ 2143.03 for decisions pertinent to each of these criteria.

Claims 11-13 have been incorporated into claim 1. Neither Popolo nor Odom teach or suggest the concept of determining whether a preexisting credit relationship exists between a buyer and a seller. Popolo makes no suggestion or credit relationships. Odom only suggests the determination of whether a buyer is credit worthy or has a credit card. Odom makes no suggestion of a credit relationship between a buyer and a seller. Despite the Patent Office's contention to the contrary, portions of Odom and Popolo relied upon the Patent Office do not provide any suggestion or teaching of determining whether a credit relationship exists between a buyer and a seller.

Thus, no combination of Odom and Popolo teach or suggest all the limitations of claim 1 and therefore the obviousness rejection fails to establish a *prima facie* case of obviousness for at least this reason alone.

Further, no combination of Popolo or Odom teach or suggest the transmitting of a metals exchange web page to a buyer. Neither reference even remotely teaches this concept. Odom only teaches the posting of materials on the worldwide web for public notice purposes. Neither reference teaches the transmission of a web page to a buyer. Again, despite the Patent Office's contentions to the contrary, nowhere in Odom or Popolo is the concept of transmitting a metals exchange web page taught or suggested. Spec sheets are not the same as a web page. Popolo does not teach the transmitting of a spec sheet. Thus, the obviousness rejection fails to establish a *prima facie* case of obviousness for this additional reason.

Therefore, for at least these two reasons, the obviousness rejection cannot stand and applicants respectfully submit that all pending claims are allowable over any hypothetical combination of these two references and an early action so indicating is respectfully requested.

Next, the office action rejects claims 22, 24, 25, and 30-33 under 35 U.S.C. § 103 as being unpatentable over Popolo in view of Odom.



Applicants respectfully traverse this rejection for the same reasons set forth above with respect to claims 11-18. That is, claim 19 requires the determination of a preexisting credit relationship and the transmission of a metals exchange web page that are not taught or suggested by either Popolo or Odom. Accordingly, applicants respectfully submit that this obviousness rejection is improper and should be withdrawn.

Finally, the office action rejects claims 54-56 under 35 U.S.C. § 103 as being unpatentable over Popolo in view of Odom. This rejection is rendered moot by the cancellation of these claims and the establishment of the clear allowability of claim 49 for the reasons set forth above. That is, claim 49 recites limitations directed toward the verification of a credit relationship, the maintaining of anonymity of both buyer and seller and the price transparency step not taught or suggested by either Odom or Popolo. Accordingly, claim 49 is clearly allowable over any hypothetical combination of these two references and an early action so indicating is respectfully requested.

Accordingly, applicants respectfully submit that all pending claims are clearly allowable over any hypothetical combination of Popolo and Odom and an action so indicating is respectfully requested.

The Commissioner is authorized to charge any fee deficiency required by this paper, or credit any overpayment, to Deposit Account No. 13-2855.

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Respectfully submitted,

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